

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 10, 2007. The Meeting was called to order at 11:40 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Matt Hobbs, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of December 13, 2006. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$843,537.50 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the District's proposed water transfers and the remaining water supply for contract year 2006. Other water related issues were also discussed.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that discussions regarding the USBR's request for a rehearing of the District's recently awarded FERC license amendment for the Friant II power plant were underway and it appeared an agreement would be forthcoming.

Under Consolidation of Districts, Manager Roldan informed the Board that TVWD had approved our final counteroffer but internal TVWD landowner issues still remained to be resolved prior to finalizing an agreement.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that the City of Orange Cove would like their engineer to present a proposed water recycling program to the Board at the regular February Board meeting. The Board agreed to hear a short presentation at the next meeting.

Under 5-Year Capital Budget, Manager Roldan and Field Operations Supervisor Hobbs reviewed the status of projects in the budget.

Under Purchasing Guidelines, the Board reviewed the draft guidelines. Director Katayama offered a motion to approve the guidelines with the addition of emergency purchasing procedures. The motion was seconded by Director Miller and unanimously approved by the Board.

Under OCID Rules and Regulations, the Board reviewed and discussed the draft revisions to the Rules and Regulations. After discussion, Director Brown offered a motion to approve the Rules and Regulation as revised. The motion was seconded by Director Miller and unanimously approved by the Board.

Under Water Rates, Rebates and Reserves, the Board reviewed the budget-to-actual numbers for 2006, the 2007 operations budget and the preliminary USBR water rates. After review and discussion, Director Katayama offered a motion to rebate \$13 per acre-foot of water used

by landowners during 2006, set the 2007 water rates at the 2006 levels, and designate and fund a \$200,000 Capital Improvement Reserve Fund. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Investment Policy, the Board performed its annual review of the investment policy. Controller Ramirez informed the Board that a Rate Covenant Fund in the amount of \$400,000 had been established in accordance with the investment policy. Director Collin offered a motion to approve the investment policy with no changes. The motion was seconded by Director Miller and unanimously approved by the Board.

At 2:34 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations. The Board returned to open session at 2:36 PM and announced that no reportable action had been taken.

Under USBR Field Service Grant, the Board discussed the opportunity to apply for a \$25,000 grant to improve operational efficiency. Director Katayama offered a motion to approve the application for the grant. The motion was seconded by Director Miller and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 2:44 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, February 16, 2007. The Meeting was called to order at 11:36 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Matt Hobbs, Field Operations Supervisor  
Joe Beck, City of Orange Cove Public Works  
Andrew deBoer, Kennedy/Jenks Consultants  
Robert Ryder, Kennedy/Jenks Consultants

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of January 10, 2007. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$214,603.24 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR declaration of 50 percent Class 1 water supply for contract year 2007, and the possibility of augmenting the District's supply with existing banking agreements. Other water related issues were also discussed.

Under Freeze Relief / Drought Procedures, Manager Roldan identified potential freeze relief measures for the Board to consider. After discussion, the Board decided to address landowner issues on a case-by-case basis as it has done in the past. In light of the current dry conditions, Manager Roldan then reviewed the reservation and ordering procedures for District water as outlined in the Rules and Regulations. After discussion, Director Katayama offered a motion to amend the 2007 Rules and Regulations by adding the following: "The Board reserves the right to limit any landowner to an amount of water that can be reasonably used by the landowner based on acreage total and crop type." The motion was seconded by Director Collin and unanimously approved by the Board.

Under Electrical Power, Manager Roldan informed the Board that during routine testing of the Fishwater powerplant, Power Systems identified a transformer problem that required immediate attention to prevent extended downtime and lost revenues. The Board was informed that A.C. Electric had been hired to replace the transformer, and had subsequently located a refurbished unit which would drastically reduce the ordering lead time. After discussion, Director Brown offered a motion to ratify the decision to award the project to A.C. Electric. The motion was seconded by Director Miller and unanimously approved by the Board. The Board then discussed the status of the Friant II powerplant. Manager Roldan informed the Board that an agreement with the USBR had been reached and forwarded to FERC regarding the USBR's request for rehearing of the District's FERC amendment. The District is currently awaiting a formal response from FERC. The Board was then informed that to proceed with the planning for the new powerplant, increased funding would be needed to continue Provost & Pritchard's involvement and to initiate a special use permit with the USBR. After discussion, Director Katayama offered a motion to increase Provost & Pritchard's budget by \$15,000 and authorize a letter of agreement with the USBR for \$5,000 for the special use permit. The motion was accompanied with direction to staff to expedite the final resolution of the USBR's request for rehearing. The motion was seconded by Director Collin and unanimously approved by the Board.

Under City of Orange Cove Water Recycling Program, Joe Beck, City of Orange Cove Public Works Superintendent, Andrew deBoer, Kennedy/Jenks Consultants, and Robert Ryder, Kennedy/Jenks Consultants, made a presentation to the Board regarding recent and future upgrades to the City's wastewater treatment facility. The City then requested that the District consider reinitiating deliveries of tertiary-treated wastewater to Systems 7 and 8. After discussion, it was decided that District staff will work with the City and its consultants to attempt to address the District's concerns with the proposed program.

Under Consolidation of Districts, the Board was informed that TVWD had worked through their internal landowner issues and were ready to start work modifying the original draft agreement to incorporate the recently negotiated "deal points." Consistent with the District's position, the TVWD landowners have made their participation in the Consolidation conditional upon review of the final agreement.

Under Detachment Requests, the Board was given the status of Steve Bradley's detachment request. Due to the difficulty in obtaining replacement acreage for Mr. Bradley's parcel, LAFCO proceedings have not been initiated. If the problems persist, Mr. Bradley's detachment may be combined with the Consolidation.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that a letter had been sent to the Modoc Ditch Company inquiring if there was any interest in participating in a short-term and/or long-term exchange or purchase of water. The Board was also informed that Senator Feinstein was given a report that described how Friant Districts were anticipating mitigating Settlement impacts. Numerous proposed District long-term water management projects were included in the report.

Under 5-Year Capital Budget, Field Operations Supervisor Hobbs reviewed the status of current projects in the budget. After discussion, Director Miller offered a motion to approve SCADA improvements at System 3 by our SCADA consultant, Concepts in Controls, Inc., in the amount of \$6,225.00. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under State Water Resource Control Board (SWRCB) Water Right Fees, Manager Roldan informed the Board that the California Court of Appeal for the Third Appellate District issued its ruling on the legality of the fees imposed by the SWRCB on water rights. While the Court of Appeal ruled the fees were legal, the manner in which the fees were determined was ruled illegal. Because of this, the District may be eligible for a partial refund of the fees paid over the last several years. General Counsel is currently filing petitions for reconsideration on behalf of the District to ensure the District is eligible for any refund available.

With no further business to discuss, the meeting was adjourned at 3:25 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, March 14, 2007. The Meeting was called to order at 11:45 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Steve Bradley, Landowner (by phone)

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of February 16, 2007. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$348,406.64 were then discussed. After discussion, Director Katayama offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported that the current USBR declaration continues to be 50 percent Class 1 water supply for contract year 2007. Manager Roldan also discussed water ordering procedures, lock-up procedures and spot market water purchases for landowners needing additional water and for late applicants that are subject to availability. Other water related issues were also discussed.

Under Electrical Power, Manager Roldan informed the Board that the Fishwater powerplant transformer is currently being replaced. The Board was also informed that Fresno Water Works #18, which serves the community of Friant, must upgrade their facilities to accommodate development and may request to share a portion of our pipeline to the hatchery. The Board then discussed the schedule for the Friant II powerplant as well as potential funding and power purchase agreements.

Under City of Orange Cove Water Recycling Program, Manager Roldan reviewed continuing questions and concerns regarding the proposed program. After discussion, it was the consensus of the Board to inform the City that the District is interested in the program, but cannot unequivocally approve the program because there is no guarantee that all of their concerns can be addressed to their satisfaction. Further investigation will be required.

Under Consolidation of Districts, the Board was informed that work is continuing on revising the original draft agreement in accordance with the recently approved deal points. Staff is currently analyzing documents submitted by TVWD detailing the parcels to be annexed.

Under Detachment Requests, Mr. Steve Bradley called into the meeting to discuss his potential detachment. Manager Roldan informed him that through much time and effort the District has made significant progress in identifying potential replacement parcels and obtaining verbal approvals on estimated costs and potential easements required for the annexations. Manager Roldan also indicated that the LAFCO application could be started once the verbal landowner agreements were formalized in writing. When asked by Mr. Bradley how long the whole process could take, Manager Roldan responded that it could take at least a year, probably longer. With that, Mr. Bradley thanked the Board and staff for their assistance and concluded the phone call.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that the Modoc Ditch Company would review our request for both a short-term and long-term purchase or exchange in May of this year. Manager Roldan also informed the Board of a potential settlement of a drainage lawsuit between the San Luis Delta Mendota Water Authority and the USBR. This draft settlement, although in its infancy, may provide mitigation water for the settlement of NRDC v. Rodgers.

Under 5-Year Capital Budget, Manager Roldan reviewed the status of grants for capital expenditures. It was reported that our DWR grant application for traveling trash screens had been denied, a San Joaquin Valley Air Quality Control Board grant application had been submitted for a new backhoe, and a Field Services Grant with the USBR had been submitted for meter upgrade work. The Board was also informed that the Lincoln Avenue pipeline crossing replacement project was complete and had come in under 50 percent of budget.

Under Surplus Equipment, Manager Roldan informed the Board that a pump trailer had become surplus to the District's needs. The pumps and motors are no longer operational and are no longer on the trailer. Director Katayama offered a motion to declare the pump trailer surplus equipment. The motion was seconded by Director Brown and unanimously approved by the Board.

At 2:55 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations. The Board returned to open session at 3:15 PM and announced that no reportable action had been taken.

With no further business to discuss, the meeting was adjourned at 3:18 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Tuesday, March 27, 2007. The Meeting was called to order at 8:15 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller-Treasurer

Others: Gary W. Sawyers, Attorney (by phone)

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

At 8:20 AM, Manager Roldan informed the Board that a dispute had arisen with the Friant Power Authority relative to the District's proposed Friant II hydropower project. Based on advice of Counsel, the Board then entered into closed session to discuss the project. The Board returned to regular session at 10:16 AM where it was announced that no reportable action was taken except to request a copy of the Friant Power Authority minutes from 1995 to the present.

Under Current Water Supply, Manager Roldan discussed the ramifications of the current USBR declaration of 50 percent Class 1 water supply. He outlined spot market purchase options and presented a Dry Year Water Management Policy, dated March 26, 2007, which described the procedures for ordering additional spot market water and the priority of service to landowners. After discussion, Director Katayama offered a motion to approve the policy. The motion was seconded by Director Miller and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 11:10 AM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 11, 2007. The Meeting was called to order at 11:46 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Gary Gipson, Landowner  
Gary Sawyers, Counsel (by phone)

President Bailey asked if there were any changes to the agenda. Manager Roldan informed the Board that after the meeting notice was posted a landowner requested the Board to consider a special water transfer into the District. Based on the critical state of the District's water supply, President Bailey ordered the agenda to be revised with the addition of Item 15: Special Water Transfer.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of March 14, 2007, and the Special Board meeting of March 27, 2007. Director Collin offered a motion to approve both sets of minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$307,119.15 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported that the current USBR declaration continues to be 50 percent Class 1 water supply for contract year 2007, although it appears that the USBR may increase the declaration to 60 percent Class 1. Manager Roldan also discussed the potential availability of spot market water at \$165 per acre-foot delivered to the District. It was noted that landowner orders for the spot market water are due by April 13, 2007, and that many orders had already been placed. After further discussion, Director Miller offered a motion to purchase an additional thousand acre-feet of spot market water over and above the final April 13<sup>th</sup> order, not to exceed 2,000 acre-feet in total. The motion was seconded by Director Brown and unanimously approved by the Board. Other water related issues were also discussed.

Under Water Applications, the Board reviewed a letter from Mr. Thomas Stodgel requesting reconsideration of his late water application and the Board's policy that late water applications will be subject to availability. Mr. Gary Gipson, farm manager for Mr. Stodgel, appeared before the Board to reiterate Mr. Stodgel's request. Mr. Gipson acknowledged the District's right under the California Water Code to establish a deadline for water applications, after which the landowner will be subject to availability, and stated that this date has remained unchanged for quite some time according to his records. But, Mr. Gipson feels this is extreme and should be reconsidered by the Board. Director Brown asked Mr. Gipson for his ideas on how to modify the policy while maintaining the necessary provisions to ensure landowners order water on time and do not abuse the system. Mr. Gipson suggested the monetary penalty be increased, but the water still made available to late applicants. Manager Roldan stated that this is what will occur when the more expensive spot market water is purchased by the District this year and the late applicants order this water to meet their needs. After further discussion, President Bailey informed Mr. Gipson that the Board would not consider altering the policy to accommodate Mr. Stodgel's situation at this time and directed staff to draft a letter to Mr. Stodgel reflecting this position.

Under Electrical Power, Manager Roldan informed the Board that the Fishwater powerplant transformer was replaced with a total downtime of approximately one week. The Board was also informed that a potential project with Fresno Water Works #18 is being evaluated to determine if the District's need for a bypass line around the powerplant can be met.



Under City of Orange Cove Water Recycling Program, Manager Roldan informed the Board that staff was attempting to respond to a request from the City to provide a list of the District's concerns regarding the proposed program. The City has informed the District that it is holding firm to the 2 for 1 exchange that was originally proposed by the City and rejected by the District. After discussion, it was the consensus of the Board that the 2 for 1 exchange issue should be resolved prior to addressing the City's request for a list of concerns.

Under Consolidation of Districts, the Board was informed that staff has a revised draft of the original agreement based on the recently approved deal points. The Board was also informed that the availability of Cross Valley water supplies was in question due to a recent court ruling against the Department of Water Resources. After discussion, it was the consensus of the Board to finalize the agreement while monitoring the situation as it unfolds, but ensure that the Cross Valley supply is secure prior to final approval of the agreement.

Under Long-Term Water Management Plan, Manager Roldan presented a conceptual proposal of a water management partnership with the Lower Tule River Irrigation District (LTRID). The basic premise behind the draft proposal is an exchange of water between the two districts which would entail a transfer of water into the District in dry years and a transfer of water into LTRID in wet years. After discussion, it was the consensus of the Board that the concept had merit, but some issues, such as how extremely dry years are mitigated, still need to be addressed.

Under 2006 Audit, the Board was informed that the Special Districts Financial Transactions Report for 2006 was submitted to the State Controller's office on April 6, 2007. The financial audit report will be presented at the next Board meeting.

At 2:00 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations and to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 2:55 PM and announced that negotiators had been appointed and given direction for the Friant II negotiations with Friant Power Authority.

Under Letter of Support, the Board was informed that letters of support were needed for a hearing of Senate Bill 59, the Reliable Water Supply Bond Act of 2008. After discussion, Director Katayama offered a motion to send a letter of support for SB 59. The motion was seconded by Director Collin and unanimously approved by the Board.

Under Special Water Transfer, the Board was informed of a request from Paramount Citrus to transfer two hundred acre-feet from Tulare Irrigation District into the District for its sole use. After discussion, it was the consensus of the Board to allow the transfer with the following provisions: 1) all delivery costs within the District will be paid by Paramount Citrus; 2) the transferred water will be considered the first water used; and 3) an administration fee of \$250 will be charged.

With no further business to discuss, the meeting was adjourned at 4:10 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, May 18, 2007. The Meeting was called to order at 11:51 AM, with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller
Officers:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Gary Sawyers, Counsel (by phone) Matt Hobbs, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of April 11, 2007. Director Miller offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$284,924.03 were then discussed. After discussion, Director Collin offered a motion to approve the bills. The motion was seconded by Director Miller and unanimously approved by the Board.

Under the Monthly Report, Manager Roldan reported on the financial standing of the District and activities of the accounting department. Manager Roldan also reported that the USBR declaration was increased to 60 percent Class One water supply for contract year 2007. Field Operations Supervisor Hobbs informed the Board of our successful grant application with the San Joaquin Valley Air Quality Control Board for a new backhoe. Directors Bailey and Collin then informed the Board of events and discussions at the recent ACWA convention.

Under District Election, Manager Roldan informed the Board of the upcoming election for Divisions 1, 2 and 4. After discussion, Director Collin offered a motion to approve Resolution No. 2007-02 ordering the odd-year Board of Directors election, consolidation of elections and establishing the specifications of the election order. The motion was seconded by Director Miller and unanimously approved by the Board.

Under Electrical Power, Manager Roldan informed the Board that the potential project with Fresno Water Works #18 continues to be evaluated to determine if the District's need for a bypass line around the powerplant can be met. The Board also considered a request from the FPA to loan Field Operations Supervisor Hobbs to the FPA during the summer because of an unexpected staff shortage. It was the consensus of the Board that the District was not in a position to assist the FPA due to its own staffing limitations.

Under Long-Term Water Management Plan, the Board discussed the risks and rewards of the draft partnership, as currently proposed, with the Lower Tule River Irrigation District. After discussion, it was the consensus of the Board to proceed with the development of the program with a focus on mitigating dry years below 50 percent Class One and allowing the District to reevaluate the merits of the program on routine intervals.

At 2:10 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations and to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 2:57 PM and announced that the Board had given direction to Manager Roldan regarding the Friant II negotiations with Friant Power Authority.

Under 2006 Audit, Controller Ramirez reviewed the management discussion letter with the Board and announced that the audit would be presented by Joe Mastro at the next Board meeting.

With no further business to discuss, the meeting was adjourned at 3:25 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 13, 2007. The Meeting was called to order at 11:46 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown (by phone)  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Gary Sawyers, Counsel (by phone)  
Matt Hobbs, Field Operations Supervisor  
Joe Mastro CPA, Mastro and Associates  
Bill Little, City of Orange Cove  
Joe Beck, City of Orange Cove

President Bailey asked if there were any changes to the agenda. Director Miller offered a motion to approve the agenda as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of May 18, 2007. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

Bills totaling \$728,437.20 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and reminded the Board that an election for Divisions 1, 2 and 4 will be held this year. Manager Roldan also provided a status update on the District's proposed long-term water management plans with Lower Tule River Irrigation District and Tri-Valley Water District.

Under Equipment Purchase, Field Operations Supervisor Hobbs discussed the purchase of a new backhoe with District and Air Resource Board grant funds. The total cost of the backhoe and required air pollution retrofit device is \$85,678.18. The final cost to the District will be \$20,027.18 after the Air Resource Board reimburses the District \$65,651.00. After discussion, Director Katayama offered a motion to purchase the backhoe and required air pollution retrofit device. The motion was seconded by Director Miller and unanimously approved by the Board.

At 12:03 PM, the Board met in closed session to discuss the Mill Creek water right real

property negotiations and to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 1:15 PM and announced that the Board had taken no reportable actions.

Under 2006 Audit, Joe Mastro, Certified Public Accountant, appeared before the Board to review his audit of the District and affirm the District's compliance with GASB Statement No. 34 and any other newly required accounting standards. Mr. Mastro attested that the audited financial statements present fairly the District's financial position for the year ended December 31, 2006.

At 1:40 PM, Manager Roldan and Controller Ramirez were excused from the Board room to allow Auditor Mastro to comply with Statement on Auditing Standards No. 99 and review with the Board its accounting oversight responsibilities.

At 1:50 PM, Manager Roldan and Controller Ramirez returned to the Board room to further discuss the audit report. After discussion, Director Katayama offered a motion to accept the audit report as submitted. The motion was seconded by Director Miller and unanimously approved by the Board.

Under Request for Proposals for Financial Audits, Mr. Mastro offered to continue performing the District's annual financial audit for the next three years for \$6,800 per year. Director Collin offered a motion to accept the proposal. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under City of Orange Cove Water Recycling Program, Bill Little, City Manager of Orange Cove, and Joe Beck, Public Works Superintendent of Orange Cove, discussed a proposed water recycling project with the Board. Water quality assurances, cost of water and operational impacts to the District were discussed.

Under Personnel, Manager Roldan proposed a cost-of-living adjustment (COLA) of 3.2 percent to the District's wage grade scale. After discussion, Director Miller offered a motion to approve the 3.2% COLA. The motion was seconded by Director Katayama and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 3:10 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, July 11, 2007. The Meeting was called to order at 11:50 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Gary Sawyers, Counsel (by phone)

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of June 13, 2007. Director Katayama offered a motion to approve the minutes as prepared. The motion was seconded by Director Collin and unanimously approved by the Board.

Bills totaling \$453,444.60 were then discussed. After discussion, Director Katayama offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and informed the Board that the Friant Water Users Authority Board had approved funding of a summer cloud seeding program to augment water supplies. Manager Roldan also informed the Board that Matt Hobbs had resigned his position as Field Operations Supervisor and that John Sanders was hired to fill the vacant position. The Board was informed that Mr. Sanders will begin employment with the District on July 23, 2007.

Under Landowner Request, the Board considered a request from Ricardo Ruiz to reduce the District's invoice for repairing a pipeline on Mr. Ruiz's property. Manager Roldan informed the Board that Mr. Ruiz had damaged a District pipeline after failing to call USA North to have all underground utilities located prior to conducting excavation activities on his property. After discussion, it was the consensus of the Board not to reduce the invoice, but to allow Mr. Ruiz to pay the bill in two payments as requested.

At 1:00 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations and to confer with Counsel on the proposed Friant II Hydropower Plant and NRDC v. Rodgers. The Board returned to open session at 2:30 PM and announced that the Board had taken no reportable action.

Under City of Orange Cove Water Recycling Program, the Board continued discussion of the potential program outlined by City Staff at the previous Board meeting. After discussion, the Board directed Staff to develop a cost formula that takes into account the differing value of the City's treated wastewater in wet, normal and dry years. The Board also directed Staff to develop a public relations program, in conjunction with City Staff and Consultants, to present to landowners in Systems 7 and 8 in order to educate them on the potential project and obtain their concerns and suggestions prior to approving the project.

With no further business to discuss, the meeting was adjourned at 2:35 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, August 8, 2007. The Meeting was called to order at 11:46 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Gary Sawyers, Counsel (by phone)  
John Sanders, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of July 11, 2007. Director Brown offered a motion to approve the minutes as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

Bills totaling \$321,506.52 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and reminded the Board about the upcoming District election. Manager Roldan also informed the Board that the new backhoe, which is being purchased with a large grant from the California Air Research Board, had arrived.

Under District Water Supply, the Board was informed that the USBR had increased the declaration from 60 percent to 65 percent Class One, which represented an additional 1,960 acre-feet of water for the District. Manager Roldan explained that water usage to date has been lower than previous years, possibly due to increased groundwater usage by landowners. It now appears that even without the additional 5 percent the District will have an adequate supply to meet this year's demands and will likely have carryover for next year's supply. Based on the uncertain nature of the USBR policy on carryover, Manager Roldan recommended we attempt to terminate the 2,000 acre-foot banking transfer with Lower Tule River ID, saving it for a future dry year, and not change the growers' water allocation. After discussion, Director Katayama offered a motion to accept Manager Roldan's recommendation based on the evidence before the Board at this time and in an effort to prevent future water and financial impacts to the District from future dry years. The motion was seconded by Director Miller and unanimously

approved by the Board. Manager Roldan was directed to send a letter to the growers asking them to evaluate their water needs for the remainder of the year and advise the District if they have any extra water to transfer to other growers.

Under Property Liens and Assessment Sales, Controller Ramirez reviewed the delinquent accounts and draft Resolution No. 2007-03 with the Board. After discussion, Director Miller offered a motion to approve Resolution No. 2007-03 and to record certificates of lien and/or sale on all accounts that remain delinquent after the final deadline. The motion was seconded by Director Brown and unanimously approved by the Board. Manager Roldan then updated the Board on the detachment of property belonging to Steve Bradley, whose standby account is delinquent. Mr. Bradley has asked that approximately 20 acres of his property remain in the District instead of detaching the entire acreage within the District as he had originally requested. It was the consensus of the Board that if Mr. Bradley wishes to keep property within the District he must bring his entire account current immediately or a lien will be placed on his property.

Under FWUA Special Call For Funds, the Board was informed that the FWUA has approved a special call for funds in the amount of one million dollars to contribute to an ACWA public education program. This contribution will earn FWUA a spot on the steering committee which will help frame the program around the interests of the FWUA. It was the consensus of the Board to ratify the special call for funds, although it was noted that the Board was obligated to pay since the FWUA Board had already approved the call for funds.

At 1:06 PM, the Board met in closed session to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 2:02 PM and announced that the Board had taken no reportable action.

Under Kings River Conservation District (KRCD), the Board considered a Memorandum of Understanding (MOU) with KRCD to determine the terms and conditions on which the two parties can jointly develop a hydroelectric facility on the San Joaquin River below Friant Dam. After discussion of the MOU and attached scope of work, Director Katayama offered a motion to approve the MOU and authorize the Manager to sign the MOU. The motion was seconded by Director Collin and unanimously approved by the Board.

Under City of Orange Cove Water Recycling Program, the Board continued discussion of the potential program with the City. Manager Roldan informed the Board that City staff has been made aware of the Board's willingness to proceed with discussions. City staff has also been informed that the Board feels a landowner meeting will be necessary and the cost formula will need to be negotiated. The City has requested a letter stating the District's intent and has indicated that they will provide copies of the final feasibility study shortly.

With no further business to discuss, the meeting was adjourned at 3:10 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, September 12, 2007. The Meeting was called to order at 11:43 AM, with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller Russell Katayama
Officers:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Gary Sawyers, Counsel (by phone) John Sanders, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of August 8, 2007. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$652,895.65 were then discussed. After discussion, Director Katayama offered a motion to approve the bills. The motion was seconded by Director Miller and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and the in-District water transfer procedure was discussed. The Board was also informed about the upcoming ACWA Fall Conference and status updates on the ACWA public education program and NRDC Settlement legislation were provided.

At 12:30 PM, the Board met in closed session to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 1:00 PM to determine if anyone from the public was present for the noticed Board of Equalization hearing. With no public present, the Board returned to closed session at 1:10 PM and postponed the Board of Equalization hearing until the end of the closed session to allow more time for the public to arrive. The Board returned to open session at 2:30 PM and announced that pursuant to a vote of 3 yes, 1 no and 1 abstention the Board gave direction to Counsel to continue settlement negotiations with FPA in accordance with the settlement outline presented.

The Board recessed at 2:30 PM to convene as the Board of Equalization for the noticed hearing. In that no one from the public appeared before the Board, Director Katayama offered a motion to approve the acreage as presented in the assessment book. The motion was seconded by Director Brown and unanimously approved by the Board. The Board of Equalization hearing adjourned at 2:36 PM and the OCID Board reconvened for its regular meeting.

Under Draft 2008 Budget, Controller Ramirez reviewed the draft budget with the Board. All comments and questions will be addressed and reflected in a revised budget for approval at the next regular board meeting.

Under City of Orange Cove Water Recycling Program, the Board continued discussion of the potential program with the City. Manager Roldan informed the Board that he had contacted Bob Elliot, Director of Food Safety at Sunkist, as suggested by Director Miller. Mr. Elliot indicated that due to a lack of regulatory certainty regarding irrigation with reclaimed wastewater, market forces are currently influencing the acceptability of using reclaimed wastewater to irrigate crops. After hearing the information provided by Mr. Elliot, it was the consensus of the Board that any agreement with the City must recognize the need to adapt to the changing political, regulatory and market environments to prevent any negative impacts to participating District growers.

Under Surplus Equipment, a used half-ton truck was considered for declaration as surplus equipment. After discussion, Director Katayama offered a motion to declare the truck surplus equipment. The motion was seconded by Director Brown and unanimously approved by the Board.

Under ACWA/CSDA/SDRMA Election of Board of Directors, the Board considered candidates for the various boards. After discussion, Director Miller offered a motion to authorize Manager Roldan to vote for the following candidates: 1) ACWA: Region 6 Nominating Committee's recommended slate; 2) CSDA: Sandy Young, Region 4; 3) SDRMA: Jerry M. Ledbetter, John Woolley and William R. Miller. The motion was seconded by Director Collin and unanimously approved by the Board.

Under ACWA/CSDA Committee Membership, the Board considered membership on various committees. After discussion, the Board determined there was no interest in participating on any of the committees.

With no further business to discuss, the meeting was adjourned at 3:32 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 10, 2007. The Meeting was called to order at 11:41 AM, with the following Directors and Officers present:

Directors:	Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller Russell Katayama
Officers:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Gary Sawyers, Counsel (by phone) John Sanders, Field Operations Supervisor

Vice President Collin asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

Vice President Collin then asked if there were any errors or omissions to the minutes for the Regular Board meeting of September 12, 2007. Hearing none, he ordered the minutes approved as prepared.

At 11:45 AM, the Board met in closed session to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 12:30 PM and announced that no reportable action had been taken.

Bills totaling \$382,808.46 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and was directed by the Board to send a letter to all water users notifying them of the availability of additional water and of the upcoming canal dewatering. The Governor's water bond package and a new bill from Congressman Nunes were discussed. The Board was also informed of the status of the San Joaquin River settlement legislation.

Under Draft 2008 Budget, Manager Roldan and Controller Ramirez reviewed the draft budget with the Board. The need to potentially raise water rates was discussed. All comments and questions will be addressed and reflected in a revised budget for approval at the next regular board meeting.

Under Water Management, the Board discussed whether to sell or carry over all or a portion of the remaining District water supply. Manager Roldan also informed the Board of the need to reconcile discrepancies between District meters and USBR meters. It was the consensus of the Board to attempt to locate potential buyers to determine the current market price and also determine how much water the USBR would allow the District to carry over. The process to increase water rates in accordance with Proposition 218 was also discussed, as were potential modifications to the District Rules and Regulations.

Under SDRMA Joint Powers Agreement (JPA) Amendment, the Board reviewed the proposed changes to the JPA and draft Resolution 2007-05. After discussion, Director Katayama offered a motion to approve Resolution 2007-05. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Landowner Request, the Board considered a request from a landowner to refund a portion of their Standby Charges that were paid between 1993 and the present. The landowner claims their property is 2.66 acres, not the 3.02 acres that has been assessed. The Board declined the request based on the landowner's failure to notify the Board of Equalization at any of the annual hearings held for just this purpose.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

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Henry A. Collin, III, Vice President

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John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 24, 2007. The Meeting was called to order at 1:00 PM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Gary Sawyers, Counsel (by phone)

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

At 1:00 PM, the Board met in closed session to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 1:45 PM and announced that the Board had approved the settlement agreement with the Friant Power Authority in substantially the form reviewed except with the inclusion of an attorneys' fees clause and had authorized Manager Roldan and Director Brown to sign the agreement on behalf of the District.

Under Personnel, Manager Roldan presented a resignation letter to the Board. The Board then discussed the process to fill the District Manager vacancy. It was the consensus of the Board to contact known potential candidates and have Baker, Peterson and Franklin, the firm who handled the previous hiring process, perform a screening process. If this process is not fruitful, Baker, Peterson and Franklin will be asked to perform a candidate search.

With no further business to discuss, the meeting was adjourned at 2:50 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, November 9, 2007. The Meeting was called to order at 1:05 PM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: John P. Roldan, Engineer-Manager-Secretary

Others: Larry Howard

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

At 1:12 PM, the Board met in closed session to interview a candidate for the District Manager position. The Board returned to open session at 3:15 PM and announced that no reportable action had been taken.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, November 14, 2007. The Meeting was called to order at 11:45 AM, with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller
Officers:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Gary Sawyers, Counsel (by phone) John Sanders, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of October 10, 2007, and the Special Board meeting of October 24, 2007. Director Collin offered a motion to approve both sets of minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$486,574.17 were then discussed. After discussion, Director Collin offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on current water usage within the District and reminded the Board of the upcoming Fall ACWA conference. Manager Roldan also reviewed the results of the ACWA public information campaign and the status of the San Joaquin River settlement legislation. Field Operations Supervisor Sanders provided a report on the recent activities of the operations department and upcoming winter maintenance projects.

At 1:03 PM, the Board met in closed session to confer with Counsel on the proposed Friant II Hydropower Plant. The Board returned to open session at 1:24 PM and announced that no reportable action had been taken.

Under Draft 2008 Budget, Manager Roldan and Controller Ramirez reviewed the draft budget with the Board. After discussion, Director Miller offered a motion to approve the budget outlined in Option B. The motion was seconded by Director Collin and unanimously approved by the Board.

Under Water Management, the Board discussed whether to sell or carry over all or a portion of the remaining District water supply. It was the consensus of the Board to carry over as much water as possible, but to further evaluate a potential sale of water to the west side. In light of the budget discussion above, the Board considered an increase in water rates of up to \$10 per acre-foot for 2008, and reviewed a draft letter to the landowners notifying them of the increase in rates and advising them of their right to protest the rate increase. After discussion, Director Brown offered a motion to approve the increase of water rates by up to \$10 per acre-foot and to approve the letter to the landowners with the revisions suggested by Counsel Sawyers. The motion was seconded by Director Miller and unanimously approved by the Board. Potential modifications to the Rules and Regulations were also discussed.

Under Refinancing of 1996 Certificates of Participation (COP's), the Board reviewed a financial analysis from Wells Fargo to refinance the COP's. After consideration, Staff was directed to invite the Wells Fargo representative to the next board meeting to discuss the refinancing further.



Under Waiver of Collateral, Controller Ramirez reviewed the request from Bank of the West to waive the requirement to maintain collateral on the first \$100,000 of the District's funds at the Bank of the West due to the existing coverage from FDIC. Director Miller offered a motion to waive the collateral in accordance with the request. The motion was seconded by Director Brown and unanimously approved by the Board.

Under NWRA California Caucus Election, the Board considered the slate of candidates recommended by Manager Roldan. After discussion, Director Brown offered a motion to approve the recommended slate of candidates. The motion was seconded by Director Miller and unanimously approved by the Board.

Under District Manager Transition, the Board entered into closed session at 3:44 PM to deliberate on a potential candidate for the District Manager position. The Board returned to open session at 4:55 PM and announced that no reportable action had been taken. The Board then considered the need for staffing changes during the transition period. After discussion, Director Collin offered a motion to adjust the Salary Grade and Step of Controller Ramirez from Grade 19, Step 6 to Grade 20, Step 5, and the Salary Grade and Step of Field Operations Supervisor Sanders from Grade 14, Step 6 to Grade 15, Step 5. The motion was seconded by Director Miller and unanimously approved by the Board. The Board then considered the need to hire Manager Roldan as a consultant with MWH Americas, Inc. after November 16<sup>th</sup> to facilitate the transition. After discussion and review of Manager Roldan's future billing rate, Director Brown offered a motion to execute a contract with MWH Americas, Inc. with a cap at 2 days per week and \$15,000 total unless approved by President Bailey. The motion was seconded by Director Collin and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 5:06 PM.

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Harvey A. Bailey, President

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John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, December 12, 2007. The Meeting was called to order at 11:45 AM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
Henry A. Collin, III, Vice President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: Robert T. Ramirez, Controller / Treasurer  
And Interim Secretary

Others: John Sanders, Field Operations Supervisor  
James C. Chandler  
John P. Roldan (by phone)  
Michael J. Engelbrecht

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Special Board meeting of November 9, 2007, and the Regular Board meeting of November 14, 2007. Director Miller offered a motion to approve both sets of minutes as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

Bills totaling \$237,391.02 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Director Collin reported on the ACWA Fall conference and requirements regarding expense reports. President Bailey reported on the activities of the Friant Waterusers & Friant Water Authorities. Field Operations Supervisor Sanders provided a report on the recent activities of the operations department and upcoming winter maintenance projects.

Under electrical power, a discussion was held regarding a settlement agreement with the Friant Power Authority pertaining to FERC license P-11068 and state water rights. Engineer Consultant Chandler opined that only 100cfs should be transferred as a result of the settlement. The Board directed Mr. Chandler to discuss his opinion with the Friant Power Authority and report his findings to Director Brown. The Board requested an update on this issue at the next Board meeting.

Under draft Rules, Regulations and water rates, Controller Ramirez reported that the USBR's water rates for 2008 were not finalized as of this date. A final draft of the District's Rules and Regulations and proposed water rates will be discussed at the next Board meeting.

Under Capital expenditures, Field Operations Supervisor Sanders presented proposals to purchase a new SCADA computer and requested approval on a contract to renovate system 9. A motion to approve a contract not to exceed \$23,875 with C & L Coatings, Inc., and a proposal from Dell Computers for \$1,900 was offered by Director Miller. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under Refinancing of 1996 Certificates of Participation, the Board reviewed financial proposals from Mr. Michael Engelbrecht, Senior Vice President for Wells Fargo Institutional Securities, to serve as underwriter to OCID in regards to the refunding of the 1996 Certificates of Participation. Director Brown offered a motion to continue to pursue refunding of the 1996 COP's. The motion was seconded by Director Collin and unanimously approved by the Board. Staff was directed to analyze all proposals and report back to the Board at the next meeting.

Under City of Orange Cove Water Recycling Program, engineer consultant Roldan gave a status report on discussions with the City of Orange Cove. The Board then directed Mr. Roldan to draft a letter to the City advising them of conditions under which OCID would consider participation.

Under District Manager Transition, Director Brown offered a motion to approve a contract with MWH Global, Inc. to provide engineer consultant services to be provided by John P. Roldan. The motion was seconded by Director Katayama and unanimously approved by the Board. The Board then reviewed a contract to provide engineer consultant services to be provided by James C. Chandler. Director Miller offered a motion to approve the contract with Mr. Chandler. The motion was seconded by Director Collin and unanimously approved by the Board. A search for an engineer-manager is in process. President Bailey stated he is in the process of scheduling an interview with a potential candidate.

With no further business to discuss, the meeting was adjourned at 3:06 PM.

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Harvey A. Bailey, President

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Robert T. Ramirez, Interim Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, December 21, 2007. The Meeting was called to order at 1:05 PM, with the following Directors and Officers present:

Directors: Harvey A. Bailey, President  
David A. Brown  
Arlen D. Miller  
Russell Katayama

Officers: Robert T. Ramirez, Controller / Treasurer  
And Interim Secretary

Others: Steve Ottemoeller

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

Under Tri-party agreement, a discussion was held regarding the planned Friant Road Improvements and Fish Hatchery waterline. After discussion, the Board directed staff to contact the Minasian Law firm for an opinion on maintenance responsibilities.

At 1:25 PM, the Board met in closed session to interview a candidate for the District Manager position. The Board returned to open session at 2:47 PM and announced that no reportable action had been taken.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

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Harvey A. Bailey, President

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Robert T. Ramirez, Interim Secretary